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United Nations Verification Mission in Guatemala: performance report for the period 1 January to 31 December 1998

Report of the Secretary-General

Summary

The present report contains the preliminary financial performance of the United Nations Verification Mission in Guatemala (MINUGUA) for the period 1 January to 31 December 1998. Prior to the adoption by the General Assembly of resolution 52/175 of 18 December 1997, a statement of the programme budget implications (A/C.5/52/21 and Add.1) was submitted by the Secretary-General to the Assembly. In the related report of the Advisory Committee on Administrative and Budgetary Questions (A/52/707), the Advisory Committee expressed the opinion that a performance report should be presented by the end of 1998 to allow better monitoring of the resources appropriated for MINUGUA.

The General Assembly, in its resolution 52/221 A of 22 December 1997, *inter alia*, approved an appropriation of $36,523,000 under section 3 (Peacekeeping operations and special missions) of the programme budget for the biennium 1998–1999. In the same resolution, the Assembly also approved an appropriation of $2,348,100 under section 32 (Staff assessment), offset by a corresponding amount in the estimates of income under income section 1 (Income from staff assessment).

Expenditures for the period 1 January to 31 December 1998 are estimated at $31,515,000 net ($34,192,500 gross), resulting in an estimated unencumbered balance of $5,008,000 under section 3 of the programme budget for the biennium 1998–1999, partly offset by over-expenditures of $329,400 under section 32, with a corresponding increase in income from staff assessment.

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The unencumbered balance results mainly from salaries, common staff costs and monthly mission allowance of staff due to vacancies experienced to date. To a lesser extent, savings were also achieved under transport and air operations.

The action to be taken by the General Assembly, as indicated in section IV (Conclusions and recommendations), would be to take note of the present report and take into account the estimated reduction of $4,678,600 gross ($5,008,000 net of staff assessment) during its consideration of the programme budget implications statement anticipated to be submitted to the General Assembly in respect of a draft resolution which it would consider if it wished to extend the mandate of MINUGUA.

I. Introduction

1. In its resolution 51/198 B of 27 March 1997, the General Assembly decided to authorize the renewal of the mandate of the United Nations Verification Mission in Guatemala (MINUGUA) for one year, that is, until 31 March 1998 to carry out international verification of the Peace Agreements in accordance with the recommendations of the Secretary-General (see A/51/828). The structure of the Mission for the period 1 April 1997 to 31 March 1998 is contained in the statement of the programme budget implications (A/C.5/51/47), submitted by the Secretary-General to the General Assembly prior to its adoption of resolution 51/198 B.

2. For the period 1 January to 31 March 1998, provisions were requested in the initial proposals of the Secretary-General under section 3 of the programme budget for the biennium 1998–1999, including resources related to 328 staff positions consisting of 129 international staff: 71 at the Professional level and above (one D-2, two D-1, 10 P-5, 23 P-4, 29 P-3 and six P-2) and 58 in the General Service and related categories (12 Field Service and 46 General Service); and 199 local staff. In addition, there were resource requests for 106 United Nations Volunteers; 17 military liaison officers and 38 civilian police observers.

3. In resolution 52/175 of 18 December 1997, the Assembly decided to authorize the renewal of the mandate of the Mission from 1 April to 31 December 1998. The revised structure of the Mission is contained in the statement of the programme budget implications (A/C.5/52/21 and Add.1) submitted by the Secretary-General to the Assembly prior to the adoption of resolution 52/175. For the period 1 April to 31 December 1998, based on the recommendations of the Advisory Committee on Administrative and Budgetary Questions, the General Assembly approved the revised structure of the Mission with the corresponding resources and related operational costs. The revised structure consists of 362 staff positions consisting of 133 international staff: 82 at the Professional level and above (one D-2, two D-1, nine P-5, 26 P-4, 39 P-3 and five P-2) and 51 in the General Service and related categories (10 Field Service and 41 General Service); and 229 staff at the local level. There were also resources for 98 United Nations Volunteers; 20 military liaison officers and 51 civilian police observers.

II. Implementation of the budget

4. Information on the operations of MINUGUA and on the situation on the ground during the period under review is contained in reports of the Secretary-General to the General Assembly (A/53/315 of 31 August 1998, A/53/288 of 24 August 1998, A/52/946 of 15 June 1998 and A/52/554 of 31 October 1997).

III. Performance report for the period 1 January to 31 December 1998

5. As indicated in table 1 below, from the 1998 appropriation of $36,523,000 net ($38,871,100 gross) covering two mandate periods of the Mission, expenditures and obligations are estimated at $31,515,000 net ($34,192,500 gross). The resulting estimated unencumbered balance of $5,008,000 net ($4,678,600 gross), represents in net terms 13.7 per cent of the amount appropriated (or 12 per cent gross of the amount appropriated). Annex I to the present report contains the financial performance information for the reporting period

by main object of activity, with supplementary information on significant variances presented in annex II.

Table 1
Appropriation and expenditure

(Thousands of United States dollars)

Category of expenditure	*Appropriation*	*Expenditure*	*Variance*
Military personnel costs	716.0	721.3	(5.3)
Civilian personnel costs	26 124.6	22 165.0	3 959.6
Operational costs	9 304.2	8 313.9	990.3
Other programmes	378.2	314.8	63.4
Programme support	0.0	0.0	0.0
Staff assessment	2 348.1	2 677.5	(329.4)
Total	**38 871.1**	**34 192.5**	**4 678.6**
Income from staff assessment	(2 348.1)	(2 677.5)	329.4
Net requirements	**36 523.0**	**31 515.0**	**5 008.0**
Voluntary contributions	5 566.0	4 736.8	829.2
Total resources	**42 089.0**	**36 251.8**	**5 837.2**

Table 2
Authorized staffing, incumbency and vacancy rates for the military and civilian personnel for the period 1 January to 31 December 1998

Category	*Period 1 January to 31 December 1998*	*Authorized strength*	*Actual strength (average)*	*Vacancy rate (percentage)*
Military liaison officers	1/1/98–31/3/98	17	16	5.9
	1/4/98–31/12/98	20	18	10.0
Civilian police observers	1/1/98–31/3/98	38	34	10.5
	1/4/98–31/12/98	51	48	5.9
International staff	1/1/98–31/3/98	129	110	14.7
	1/4/98–31/12/98	133	118	11.3
Local staff	1/1/98–31/3/98	199	198	0.5
	1/4/98–31/12/98	229	214	6.6

IV. Conclusions and recommendations

6. The General Assembly is requested to take note of the present report and take into account the estimated reduction of $4,678,600 gross ($5,008,000 net of staff assessment) during its consideration of the programme budget implications statement anticipated to be submitted to the General Assembly in respect of a draft resolution which it would consider if it wished to extend the mandate of MINUGUA.

Annex I

Preliminary performance for the period 1 January to 31 December 1998

(Thousands of United States dollars)

	(1) Appropriation 1 January to 31 December 1998	(2) Non-recurrent expenditures	(3) Recurrent expenditures	(4) Total expenditures (2) + (3)	(5) Unliquidated obligations	(6) Savings (overruns) (1) - (4)
1. Military personnel costs						
(a) Military observers						
Mission subsistence allowance	603.4		589.7	589.7	30.7	13.7
Travel costs	55.8		74.8	74.8		(19.0)
Clothing and equipment allowance						
Subtotal	**659.2**	**0.0**	**664.5**	**664.5**	**30.7**	**(5.3)**
(b) Other costs pertaining to military personnel						
Contingent-owned equipment						
Death and disability compensation	56.8		56.8	56.8		
Subtotal	**56.8**		**56.8**	**56.8**		
Total, line 1	**716.0**	**0.0**	**721.3**	**721.3**	**30.7**	**(5.3)**
2. Civilian personnel costs						
(a) Civilian police						
Mission subsistence allowance	1 494.3		1 416.9	1 416.9		77.4
Travel costs	132.0		139.4	139.4	27.7	(7.4)
Clothing and equipment allowance						
Death and disability compensation						
Subtotal	**1 626.3**	**0.0**	**1 556.3**	**1 556.3**	**27.7**	**70.0**
(b) International and local staff						
International staff salaries	8 363.4		5 944.0	5 944.0		2 419.4
Local staff salaries	2 801.4		2 516.6	2 516.6		284.8
General temporary assistance						
Consultants			6.0	6.0		(6.0)
Overtime			70.0	70.0		(70.0)
Common staff costs	4 265.2		4 067.3	4 067.3	36.5	197.9
Mission subsistence allowance	4 093.2		3 645.4	3 645.4		447.8
Other travel costs	167.2		172.4	172.4	10.1	(5.2)
Subtotal	**19 690.4**	**0.0**	**16 421.7**	**16 421.7**	**46.6**	**3 268.7**

	(1) Appropriation 1 January to 31 December 1998	(2) Non-recurrent expenditures	(3) Recurrent expenditures	(4) Total expenditures (2) + (3)	(5) Unliquidated obligations	(6) Savings (overruns) (1) - (4)
(c) International contractual personnel	0.0	0.0	0.0	0.0	0.0	0.0
(d) United Nations Volunteers	4 807.9	0.0	4 187.0	4 187.0	650.0	620.9
Subtotal	**4 807.9**	**0.0**	**4 187.0**	**4 187.0**	**650.0**	**620.9**
Total, line 2	**26 124.6**	**0.0**	**22 165.0**	**22 165.0**	**724.3**	**3 959.6**
3. Premises/accommodation						
Rental of premises	693.4		685.9	685.9	220.9	7.5
Alterations and renovations to premises	107.1		95.0	95.0	3.9	12.1
Maintenance supplies	46.2		37.0	37.0	2.1	9.2
Maintenance services	80.3		80.3	80.3	2.7	0.0
Utilities	141.3		128.1	128.1	0.6	13.2
Security and cleaning services	571.8		554.3	554.3	227.9	17.5
Total, line 3	**1 640.1**	**0.0**	**1 580.6**	**1 580.6**	**458.1**	**59.5**
4. Transport operations						
Purchase of vehicles	3 059.0	2 510.2		2 510.2	2 158.5	548.8
Rental of vehicles	12.1		7.0	7.0		5.1
Spare parts, repairs and maintenance	483.2		449.0	449.0	106.0	34.2
Petrol, oil and lubricants	293.1		270.0	270.0	132.3	23.1
Insurance	32.5		32.5	32.5	13.4	0.0
Total, line 4	**3 879.9**	**2 510.2**	**758.5**	**3 268.7**	**2 410.2**	**611.2**
5. Air operations						
Helicopter/aircraft operations						0.0
Hire/charter costs	1 849.4		1 453.1	1 453.1	782.9	396.3
Aviation fuel and lubricants						0.0
Positioning/depositioning costs			160.0	160.0		(160.0)
Painting/preparation						0.0
Liability and war risk insurance						0.0
Air crew subsistence allowance						0.0
Air traffic control services and equipment						0.0
Landing fees and ground handling						0.0
Fuel storage containers						0.0
Total, line 5	**1 849.4**	**0.0**	**1 613.1**	**1 613.1**	**782.9**	**236.3**
6. Communications						
(a) Complementary communications						
Communications equipment, acquisition	141.5	188.1		188.1		(46.6)

	(1) Appropriation 1 January to 31 December 1998	(2) Non-recurrent expenditures	(3) Recurrent expenditures	(4) Total expenditures (2) + (3)	(5) Unliquidated obligations	(6) Savings (overruns) (1) - (4)
Spare parts and supplies/maintenance	186.2		121.0	121.0		65.2
Workshop and test equipment				0.0		0.0
Commercial communications	288.0		288.0	288.0	48.4	0.0
Subtotal	**615.7**	**188.1**	**409.0**	**597.1**	**48.4**	**18.6**
(b) Main trunking contract						0.0
Total, line 6	**615.7**	**188.1**	**409.0**	**597.1**	**48.4**	**18.6**
7. Other equipment						
Office furniture	50.6	50.0		50.0		0.6
Office and other equipment	108.2	186.8		186.8	35.6	(78.6)
Data-processing equipment	459.9	538.5		538.5		(78.6)
Other equipment				0.0		0.0
Spare parts, repairs and maintenance	250.2		80.4	80.4	4.2	169.8
Total, line 7	**868.9**	**775.3**	**80.4**	**855.7**	**39.8**	**13.2**
8. Supplies and services						
(a) Miscellaneous services						
Contractual services				0.0		0.0
Medical treatment and services			12.5	12.5		(12.5)
Official hospitality	6.3		4.3	4.3		2.0
Miscellaneous other services	129.1		101.3	101.3	7.4	27.8
Subtotal	**135.4**	**0.0**	**118.1**	**118.1**	**7.4**	**17.3**
(b) Miscellaneous supplies						
Stationery and office supplies			51.1	51.1	2.3	(51.1)
Medical supplies			16.7	16.7	0.6	(16.7)
Sanitation and cleaning materials			10.7	10.7	3.4	(10.7)
Subscriptions			11.7	11.7	3.2	(11.7)
Electrical supplies			20.0	20.0	1.2	(20.0)
Electronic data-processing supplies			55.6	55.6	19.3	(55.6)
Miscellaneous other supplies			71.4	71.4		(71.4)
Supplies and materials	252.2			0.0		252.2
Subtotal	**252.2**	**0.0**	**237.2**	**237.2**	**30.0**	**15.0**
Total, line 8	**387.6**	**0.0**	**355.3**	**355.3**	**37.4**	**32.3**
9. Public information programmes						
Publications				0.0		0.0
Promotion				0.0		0.0

	(1) Appropriation 1 January to 31 December 1998	(2) Non-recurrent expenditures	(3) Recurrent expenditures	(4) Total expenditures (2) + (3)	(5) Unliquidated obligations	(6) Savings (overruns) (1) - (4)
Contractual services				0.0		0.0
Public information production costs	378.2		314.8	314.8		63.4
Total, line 9	**378.2**	**0.0**	**314.8**	**314.8**	**0.0**	**63.4**
10. Training programmes	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
11. Air and surface freight						
Commercial freight and cartage	62.6		43.4	43.4	27.1	19.2
Other	0.0			0.0	0.0	0.0
Total, line 11	**62.6**	**0.0**	**43.4**	**43.4**	**27.1**	**19.2**
12. Programme support	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
13. Staff assessment	**2 348.1**		**2 677.5**	**2 677.5**	**0.0**	**(329.4)**
Total, lines 1-13	**38 871.1**	**3 473.6**	**30 718.9**	**34 192.5**	**4 558.9**	**4 678.6**
14. Income from staff assessment	**2 348.1**	**0.0**	**2 677.5**	**2 677.5**	**0.0**	**(329.4)**
Net requirements	**36 523.0**	**3 473.6**	**28 041.4**	**31 515.0**	**4 558.9**	**5 008.0**
15. Voluntary contributions	**5 566.0**		**4 736.8**	**4 736.8**	**0.0**	**829.2**
Total resources	**42 089.0**	**3 473.6**	**32 778.2**	**36 251.8**	**4 558.9**	**5 837.2**

Annex II

Supplementary explanation of significant variances

Civilian personnel costs

Appropriation: $26,124,600; expenditure: $22,165,000; variance: $3,959,600

1. The estimated unutilized balance of $3,959,600 is attributable to reduced requirements under civilian police observers ($70,000), international and local staff ($3,268,700) and United Nations Volunteers ($620,900).

Civilian police

Appropriation: $1,626,300; expenditure: $1,556,300; variance: $70,000

2. Estimated savings under civilian police observers reflect reductions of $77,400 under monthly mission allowance, partly offset by additional requirements of $7,400 under travel. Effective 1 April 1998, the authorized strength was established at 51 civilian police observers. As at 31 July 1998, the average number of civilian police observers on the ground was 48, thereby reducing requirements under mission subsistence and clothing allowances per month. Under travel, estimated additional requirements reflect the increased cost of travel of military observers from $3,000 to $3,400. In addition, it was originally estimated that there would be 21 rotations for the period 1 January to 31 March 1998 and 23 rotations for the period 31 March to 31 December 1998, for a total of 44 rotations. In the first half of the year, 22 civilian police observers rotated; and it is anticipated that travel related to 19 rotations would take place between July and December, for a total of 41 rotations. The increased cost of travel is partly offset by the lower number of rotations budgeted. The net effect of these variances resulted in a reduction of $70,000.

International and local staff

Appropriation: $19,690,400; expenditure: $16,421,700; variance: $3,268,700

3. Provisions were made under general temporary assistance for the period 1 January to 31 March 1998 for 328 staff (129 at the international level and 199 at the local level). While the actual overall vacancy rate of 5.6 per cent is just slightly higher than the 5 per cent turnover factor applied to all staff, the average strength of international staff was 111, reflecting a vacancy rate of 13.7 per cent. For the balance of 1998, provisions were made for 133 international staff and 229 staff at the local level, inclusive of a 10 per cent vacancy rate for international staff and 5 per cent for staff at the local level. Overall vacancy rates of 12.8 per cent and 9.2 per cent are projected for international and local staff, respectively. Of the 12.8 per cent vacancy rate for international staff, 15.4 per cent relates to the Professional category and above and 8.6 per cent to the General Service and related categories. In addition, a very high number of mission appointees is projected for the Mission, namely, 71 Professional staff out of 82 authorized for the period 1 April to 31 December 1998. Correspondingly, as a result of a higher than estimated vacancy rate for international staff, a reduction in the amount of $447,800 is estimated under mission subsistence allowance.

United Nations Volunteers

Appropriation: $4,807,900; expenditure: $4,187,000; variance: $620,900

4. Estimated savings of $620,900 projected under United Nations Volunteers is due mainly to the decrease in average monthly cost of volunteers, namely, from $4,200 to $3,600. The decrease in average monthly cost reflects the situation whereby most of the volunteers in MINUGUA come from countries in the area, thereby reducing the travel element in the unit rate per volunteer.

Operational costs

Appropriation: $9,304,200; expenditure: $8,313,900; variance: $990,300

5. The projected savings relate mainly to reduced requirements under transport operations ($611,200) and air operations ($236,300).

Transport operations

Appropriation: $3,879,900; expenditure: $3,268,700; variance: $611,200

6. A saving in the amount of $548,800 was realized under acquisition of vehicles due to the lower actual cost of vehicles purchased than that used in the standards. Due to significant savings, the Mission purchased a forklift truck, thereby reducing requirements under rental of vehicles by $5,100. Other estimated savings reflect a lower than anticipated cost of repairs due to fewer accidents per vehicle than originally anticipated ($34,200); and a lower cost of petrol, oil and lubricants ($23,100).

Air operations

Appropriation: $1,849,400; expenditure: $1,613,100; variance: $236,300

7. Under air operations, differences between the assumptions used in the preparation of the budget and actual contractual arrangements entered into were the main factors contributing to the projected reduction of $236,300. These differences are outlined below.

8. Under helicopter operations, provisions were approved for the rental of a helicopter at a fixed monthly rate of $111,500 for 60 flying hours per month, inclusive of all charges. Effective contractual arrangements with the carrier, however, consisted of a fixed monthly rate of $79,212 for 20 flying hours, plus positioning and depositioning costs of $100,000 and insurance costs of $4,000.

9. Under aircraft operations, provisions were made for the rental of an aircraft at a fixed monthly rate of $27,000 for 60 flying hours; 10 monthly additional hours at a monthly rate of $1,206 and insurance of $8,000 per month ($168,000). Effective contractual arrangements with the carrier, however, consisted of a fixed monthly rate of $32,100 for 10 additional hours per month at a rate of $1,100 and insurance of $4,000 for the period.